



Texas Department of Insurance, Division of Workers' Compensation
Medical Fee Dispute Resolution, MIS-48
7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1609

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Requestor's Name and Address: Renaissance Hospital 2929 S. Hampton Rd. Dallas, TX 75261	MFDR Tracking #:	M4-07-0767-01
	DWC Claim #:	
	Injured Employee:	
Respondent Name and Box #: Dallas ISD Box # 42	Date of Injury:	
	Employer Name:	
	Insurance Carrier:	

Sent
SEP 17 2007
TX DEPARTMENT OF INSURANCE
DIVISION OF WORKERS'
COMPENSATION

PART II: REQUESTOR'S POSITION SUMMARY AND PRINCIPLE DOCUMENTATION

Requestor's Position Summary taken from the Table of Disputed Services: "Carrier did not reimburse at Stop Loss. Hospital is requesting that we be reimbursed at Stop Loss. Carrier denied request for reconsideration."

Principle Documentation:

1. DWC 60 package
2. UB-92(s)
3. Explanation of Benefits (EOBs)
4. Medical Reports
5. Invoices
6. Amount Sought \$92,746.42

PART III: RESPONDENT'S POSITION SUMMARY AND PRINCIPLE DOCUMENTATION

Respondent's Position Summary: None submitted.

PART IV: SUMMARY OF FINDINGS

Date(s) of Service	Denial Code(s)	Disputed Service	Amount in Dispute	Amount Due
1-30-06 thru 2-7-06	97, W1, W3, W4	Inpatient Hospitalization	\$92,746.42	\$70,904.44
Total Due:				\$70,904.44

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

PART V: REVIEW OF SUMMARY, METHODOLOGY AND EXPLANATION

1. These services were denied by the Respondent with reason code "97," "W1," "W4-No additional reimbursement allowed after review of appeal reconsideration," and "W3-Additional payment made on appeal reconsideration."
2. This dispute relates to inpatient services provided in hospital setting with reimbursement subject to the provisions of Rule 134.401 (ACIHFG). The hospital has requested reimbursement according to the stop-loss method contained in that rule. Rule 134.401(c)(6), establishes that the stop-loss method is to be used for "unusually extensive services." Therefore, the admission must not only exceed \$40,000 in total audited charges, but also involve "unusually extensive services" or "unusually costly services."
3. The Operative report indicates that claimant underwent: Total corpectomy of C4 with decompression of the spinal canal; Partial corpectomy at C3, C5, C6; Anterior discectomy at C5-6; Expandable cage, C3 to C5; PEEK cage at C5-6; Morselized allograft; Local allograft; and Anterior fixation with a plate/screw system from C3 to C6.
4. The Discharge Summary report indicates that claimant was placed in the Intensive Care Unit (ICU) for 48 hours after the surgery. The report indicates that claimant had significant amount of postoperative pain which was controlled with PCA morphine. The report also indicated that claimant also had a problem swallowing and was seen by ENT. In addition, the claimant's neck swelling was treated with ice packs.
5. After reviewing the documentation provided by both parties, it does appear that this particular admission involved unusually extensive services for services and supplies in addition to the planned procedures indicated above in the operative report. In particular, this admission resulted in a hospital stay of 8 days based upon claimant's post-operative pain, swelling and difficulty swallowing and the services and supplies the hospital provided to treat the condition. Accordingly, because the total audited charges exceed \$40,000, the stop-loss method does apply and the reimbursement is to be based on the stop-loss methodology.
6. Rule 134.401(c)(6)(A)(iii); states "If audited charges exceed the stop-loss threshold, reimbursement for the entire admission shall be paid using a Stop-Loss Reimbursement Factor (SLRF) of 75%."
7. Rule 134.401(c)(6)(A)(v), states "Audited charges are those charges which remain after a bill review by the insurance carrier has been performed." The insurance carrier audited the bill for payment based upon the per diem methodology. No information or documentation was presented by the Respondent of any audit reductions of the Requestor's "usual and customary charges" or for any audit reduction reasons due other than use of the per diem methodology in the rules.
8. The Requestor billed \$114,199.92 for the hospitalization.
9. Rule 134.401(c)(6)(B), indicates "Formula. Audited Charges X SLRF – WCRA." Therefore, the amount billed $\$114,199.92 \times 75\% = \$85,649.94$.
10. The insurance carrier audited the bill and paid \$14,745.50 for the inpatient hospitalization. The difference between amount paid and amount due = \$70,904.44.

Based on the facts of this situation, the parties' positions, and the application of the provisions of Rule 134.401(c), the Division we find that the Requestor is entitled to a reimbursement amount for these services equal to \$70,904.44.

PART VI: GENERAL PAYMENT POLICIES/REFERENCES

Texas Labor Code Sec. §413.011(a-d), §413.031 and §413.0311
Subchapter G, Chapter 2001, Texas Government Code
Rule 134.401

PART VII: DIVISION DECISION AND ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code, Sec. §413.031, the Division has determined that the Requestor is entitled to additional reimbursement. The Division hereby **ORDERS** the Carrier to remit to the Requestor the amount of \$70,904.44 plus accrued interest, due within 30 days of receipt of this Order.

ORDER:

Authorized Signature

Director of Medical Fee Dispute Resolution

Date

DECISION:

Authorized Signature

Medical Fee Dispute Resolution Officer

Date

PART VIII: YOUR RIGHT TO REQUEST AN APPEAL

Either party to this medical fee dispute has a right to request an appeal. A request for hearing must be in writing and it must be received by the DWC Chief Clerk of Proceedings within **20** (twenty) days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. **Please include a copy of the Medical Fee Dispute Resolution Findings and Decision** together with other required information specified in Division Rule 148.3(c).

Under Texas Labor Code Section 413.0311, your appeal will be handled by a Division hearing under Title 28 Texas Administrative Code Chapter 142 Rules if the total amount sought does not exceed \$2,000. If the total amount sought exceeds \$2,000, a hearing will be conducted by the State Office of Administrative Hearings under Texas Labor Code section 413.031.

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.

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